

January/February
2002

Insight

For
benefits
administrators

Changes at EIP

The Employee Insurance Program (EIP) wished farewell to the following staff members who retired at the end of 2001: Velma Randolph, Juliet Riley and Susan Coleman from the Customer Service department; Mary Douglas and Emory Kinard from the Accounting department; and Carol Eddings from the Operations department.

In other EIP news, Karen Sanders is now head of the Field Services department and the State Health Plan Prevention Partners has a new address: 1201 Main Street, Suite 830 Columbia, SC 29201.

Remember to send your faxes to EIP's new fax number 803-737-0825. Prevention Partners' fax number is 803-737-0793.

Welcome to *Insight*!

Welcome to the first issue of *Insight* for 2002. We'd like to know what you think of *Insight*. Please e-mail your comments, suggestions or article ideas to Angie Warren at asoots@ois.state.sc.us or fax it to her at 803-737-0825.

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Enrollment update

As of Jan. 29, 2002, all enrollment Notice of Election forms (NOEs) have been processed with the exception of the NOEs that were returned for correction. Since Nov. 1, 2001, we have processed approximately 98,399 transactions.

This open enrollment was quite a challenge for everyone involved. The addition of new products, the changes involving the health maintenance organizations (CIGNA and HMO Blue dropping out and adding Upstate Partners), carrier problems (most of which have been resolved) and staff shortages made for an extremely hectic situation in our office as well as all benefits offices statewide.

In an effort to avoid the backlog we experienced this year, EIP has assembled a group to discuss these issues and identify ways to avoid these problems in the future so that we can achieve our goal of having all enrollment forms processed by the end of the year.

We appreciate your patience and cooperation. The Operations Department has lifted the telephone block, so you may call your processor as needed.

Plan changes reminders

Numerous program changes were implemented Jan. 1, 2002. The following reminders are a brief overview of these changes.

Mental Health and Substance Abuse

- ✓ All mental health and substance abuse services must be pre-authorized by calling the APS toll-free number 800-221-8699.
- ✓ Although no benefits are paid if a subscriber uses an out-of-network provider, subscribers are allowed four transition visits while providers are still in the process of being credentialed. These transition visits also give subscribers the opportunity to find a network provider if the

provider they previously used refuses to join the network. Transition visits are available through Feb. 28, 2002, and must be pre-authorized.

- ✓ If an out-of-network provider is used for transition visits, subscribers must file claims directly to APS at the address below. Subscribers may send a statement or receipt from the provider that identifies the subscriber by name, includes the subscriber's Social Security number, the date of service and the diagnosis.
- ✓ Providers will now have to file secondary claims to APS along

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South Carolina
Budget and Control Board
Employee Insurance Program



P.O. Box 11661
Columbia, South Carolina 29211
803-734-0678 • 1-888-260-9430
www.ois.state.sc.us

Life update

Basic Life

The Basic Life Insurance contract was awarded to Hartford Life effective Jan. 1, 2002. The Life Claim Form is being revised. Until the new forms are available, please use the same form that you use to file an Optional Life claim. On the claim form, mark out GL 24521 and GL 24597 and write in GL 674267 (the policy number for the Basic Life). Beside the Optional Life amount, write \$1,500 or \$3,000 if the deceased employee is covered. Hartford will require a copy of the NOE showing that the employee was covered under the health program and a certified death certificate.

Dependent Life (Child)

Effective immediately, if an employee wishes to add a child/children and the employee did not do so when first eligible, no medical evidence will be required.

Optional Life

New employees can elect coverage in \$10,000 increments up to three times their basic annual earnings without providing medical evidence of good health. They can select a higher benefit level in increments of \$10,000 up to a maximum of \$300,000 by providing medical evidence of good health.

Insight

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Employee Insurance Program

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Basic LTD, Social Security, Medicare taxes

As part of the administration of the Basic Long Term Disability (BLTD) program, Standard Insurance Company initially pays both the employee and employer share of Social Security taxes on the BLTD payments that it issues. These taxes are required by law to be deducted from BLTD payments made during the first six months after an employee ceases work due to disability. Standard is also required to withhold these taxes from BLTD benefits paid while an employee is working for the same employer.

When Standard issues a disability payment with Social Security and Medicare taxes due, they pay the employer-matching Social Security and Medicare taxes for you and send a report detailing the payments to the corresponding entity. This report is for your information and review so that you can notify Standard if any corrections are needed to a claimants' name, Social Security number or employer contribution information.

Each January, Standard sends each entity a bill for the employer

Social Security and Medicare taxes that were paid during the preceding year. This notice is sent with the Disability Income Report, which details payments made to your disabled members during the previous year and provides the total of Social Security and Medicare taxes due.

This bill is sent to the financial or tax reporting personnel at each entity. You need to reimburse Standard when you receive the bill for the Social Security and Medicare taxes paid on your behalf in the preceding year. If you have not yet paid Standard for these taxes, please do so as soon as possible. Your check should be sent to Standard Insurance Co., Attn: Diane Stockman – PSB9A, PO Box 6367, Portland, OR 97228-6367.

If you have any questions about tax reporting for the disability benefits, contact Standard's disability benefits tax information line at 1-800-525-3973. If you have questions about disability claim payments, call Standard's state of South Carolina benefits team at 1-800-628-9696.

"Get more out of your paycheck..."

EIP's contract with Hunt, DuPree, Rhine and Associates expires at the end of 2002. The administration of the MoneyPlu\$ program will soon be put out for bid. EIP's Product Development Unit would like your input as we write the specifications and requirements for this bid.

Please e-mail any ideas and suggestions to Angie Warren at asoos@ois.state.sc.us or mail them to her at 1201 Main Street, Suite 300, Columbia, SC 29201. The deadline is Mar. 1, 2002.

The information contained in *Insight* that affects your employees should be communicated to them in a timely manner.

State employee adoption assistance program

The state employee adoption assistance program provides financial aid to eligible state employees who adopt a child.

Financial aid is given to employees who apply and qualify for it as of Mar. 1, 2002, who adopt a child under 18 years of age who is not a stepchild of either adoptive parent.

Payments are made directly to providers to cover costs such as medical costs of the biological mother relating to the birth that is not paid by insurance, Medicaid or other available resources, the child's medical costs that are not paid by insurance, Medicaid or other available resources; legal and guardian ad litem fees.

Eligible state employees are permanent or probationary, full-time or part-time employees as well as temporary grant and time-limited employees of any state government department, institution, board, commission, council, division, bureau, center, school, hospital or state government facility (including public schools, law enforcement officers and special purpose districts).

For more information or for an application, call EIP at 803-734-0678, or toll-free at 1-888-260-9430. Applications must be received by Mar. 1, 2002.

In short

Memorial Hospital terminates

Memorial Hospital in Savannah, GA has terminated its participation in the SHP Hospital Network.

Upstate PARTNERS

Some Upstate PARTNERS subscribers received ID cards without the "Direct Choice" wording which indicates to the subscriber's primary care physician and specialist that a referral is not required to see a participating specialist.

Upstate PARTNERS is sending a letter explaining the error along with a new card to these subscribers.

Identification cards

New State Health Plan ID cards

were mailed to subscribers in December. Subscribers who did not receive their cards may go to the Blue Cross and Blue Shield's website (www.southcarolinablues.com) to request a card.

Dental Plus subscribers who need additional ID cards must contact Harrington Benefit Services at 1-800-848-2025.

MoneyPlu\$

The deadline to file for reimbursement from your MoneyPlu\$ Medical Spending Account for medical expenses incurred in 2001 is Mar. 31, 2002. Please remind your employees to file for reimbursement before the deadline and to include EOBs and receipts.

Preventive worksite screenings

EIP is once again providing our popular State Health Plan (SHP) benefit, the Preventive Worksite Screening Program, for 2002.

This screening, a \$200 value in most healthcare settings, is available to all active employees covered by the SHP for just a \$15 copayment. The SHP pays the rest!

The benefits of these screenings are tremendous both for individuals and for the SHP. Early detection is essential to protecting your health. For example, a finding of high cholesterol today can allow you and your doctor to take action to prevent the development of cardiovascular heart disease. It could even save your life.

In 2000, 52 percent of subscribers who participated in the screening were found to have high total cholesterol. By starting a program of diet and exercise today, they can often avoid having to take expensive cholesterol-lowering drugs later. Such medications, while essential for saving lives, have been a major factor in driving up premiums for the SHP.

The screening doesn't take long and within two weeks you will receive your personal health profile, highlighting any values outside the normal range. You can send this report to your doctor or take a copy with you on your next visit, which will save you money and keep you from duplicating tests.

If your worksite is interested in having a screening or for more information, please call Prevention Partners at 803-737-3820.

For worksites with a small numbers of employees, Prevention Partners schedules regional screenings throughout the state. Upcoming regional health screenings:

February 20, 2002: Charleston

March 20, 2002: Aiken

April 17, 2002: Columbia

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Employee Insurance Program
1201 Main Street, Suite 300
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Change Service Requested

Reminders, *continued from Page 1*

with a Medicare explanation of benefits statement (EOB) for Medicare subscribers under the retiree group. If the provider does not file the claim, subscribers can send the Medicare EOB directly to APS at the address below.

APS Healthcare
Claims, State of SC
PO Box 1307
Rockville, MD 20849

Prescription Drug Program

- ▽ Copayments have increased to \$7 for generics and \$22 for brand name medications for a 31 day or less supply. Remember if the price of the prescription is less than the copayment, you pay the lesser amount. The copayment maximum per person is now \$1,100.
- ▽ A “pay-the-difference” policy has been implemented. This means that if a generic drug is available, and you choose to purchase the brand name medication instead, the benefit will be limited to

the cost of the generic medication and you will be responsible for the difference in price plus the applicable copayment. Drugs that do not have a generic alternative are not subject to this policy.

- ▽ Voluntary mail service prescription drugs are now offered. Generic medication copayments are \$16 and brand name medications copayments are \$50 for up to a 90-day supply.

Per Occurrence Deductibles

- ▽ The deductible for each emergency room visit is now \$100. This deductible is waived if you are admitted to the hospital.
- ▽ The deductible for each outpatient hospital visit is now \$50. This deductible is waived for dialysis, routine mammograms, routine pap smears, clinic visits (an office visit at an outpatient facility), emergency room, oncology, electro-convulsive therapy, psychiatric medication management and physical therapy visits.